

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WISCONSIN

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HY CITE CORPORATION,

Plaintiff,

v.

Case No. 10-CV-168

REGAL WARE, INC. AND  
SALADMASTER, INC.

Defendants.

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**DECLARATION OF KEITH PETERSON IN SUPPORT OF REGAL WARE'S  
RESPONSE TO HY CITE'S MOTION TO COMPEL**

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I, Keith Peterson, state and declare as follows:

1. I am the President of Saladmaster, a division of Regal Ware, Inc. I have held this position since October of 2001. Prior to October of 2001, I was Vice President of Sales for Regal Ware for ten years. I make this declaration based upon personal knowledge and in support of Regal Ware's Response to Hy Cite's Motion to Compel.

2. I am aware that Hy Cite has demanded to see all dealer contracts or agreements between Saladmaster and any dealer in effect as of December 31, 2006 or after. In this time frame, there are 229 Saladmaster dealers that have signed the Saladmaster Dealer Agreement. The Saladmaster Dealer Agreement is a form agreement. This form agreement has not changed in ten years. The 229 dealers in question have signed the exact same form agreement. None of the 229 dealers have been permitted to modify or alter the form agreement in any way. They are thus bound by the exact same terms.

3. There are four Saladmaster dealers in the specified time frame who have signed separate agreements. These four dealers are Bill Francisco, Mark Benson, Phillip Contreras and

Chris G. Nahatis. I have provided to our counsel in this litigation all agreements between Saladmaster and either Mr. Francisco, Mr. Benson, Mr. Contreras and Mr. Nahatis. It is my understanding that counsel has in turn provided those agreements to Hy Cite.

4. With the exception of Mr. Francisco, Mr. Benson, Mr. Contreras and Mr. Nahatis, there are no Saladmaster dealers, nor have there been at any time since October 2001, who have not signed the form Saladmaster Dealer Agreement, without modification. One must sign the form Saladmaster Dealer Agreement to be a Saladmaster dealer.

5. I understand that Hy Cite has demanded to see each and every one of the form Saladmaster Dealer Agreements executed by our dealers. It is unclear to me why Hy Cite has made this demand. As I have said, all of our dealers have signed the identical form agreement, without modification, with the two aforementioned exceptions, and all of their agreements have been provided. In addition to being unnecessary, it would be extremely burdensome for Saladmaster to provide all of these agreements.

6. Specifically, there are a number of steps to locating and providing the agreements. Saladmaster has dealers in 41 countries in addition to the United States. So my staff would first have to manually identify the U.S. dealers from among the hundreds of hard copy dealer files going back over 50 years that are maintained, alphabetically, by Saladmaster. We do not have these files in electronic form. Each dealer file contains numerous documents, such as important correspondence, consumer subjects, address changes, company name changes, non-renewal notices, re-instatement notifications, performance memos from field management, special business conditions, promotions from the dealer, and special recognition status reports regarding the dealer. We would then need to sort through each individual file to locate the dealer

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agreement. Each of the 229 agreements would then need to be photocopied and replaced in the correct file. I estimate it would take between 40 and 50 hours to complete all these steps.

7. I cannot justify spending 40 to 50 hours of my staff's time and my time to produce agreements that are all identical in every way to the form Saladmaster Dealer Agreement that we have already provided to Hy Cite.

I declare under penalty of perjury, under the laws of the United States, that the foregoing is true and correct to the best of my knowledge.

Dated: October 14, 2010

  
Keith Peterson